

APPENDIX 4

Presentation of the agenda for the Annual Shareholders' Meeting of May 29, 2019

Board of Directors' Report

This report outlines the key points of the proposed resolutions to be submitted to you for approval at the Annual Shareholders' Meeting on May 29, 2019. This outline is not meant to be comprehensive and you should therefore read the proposed resolutions carefully before voting at the Meeting.

For information, no new agreement falling within the scope of article L. 225-38 of the French Commercial Code was entered into during the year ended December 31, 2018. Two related-party agreements falling within the scope of article L. 225-42-1 of the French Commercial Code were authorized by the Board of Directors in 2018 and approved at the Annual Shareholders' Meeting of May 30, 2018.

The Board of Directors has convened the Annual Shareholders' Meeting on May 29, 2019 to consider the following agenda:

■ I – ORDINARY RESOLUTIONS

Approval of the financial statements for 2018 (first and second resolutions)

In the first two resolutions, you are asked to vote on the Company' statutory and consolidated financial statements for the year ended December 31, 2018 and on the transactions reflected therein or summarized in the reports of the Board of Directors and Statutory Auditors, which will be submitted to you for consideration.

At December 31, 2018:

- the Company's statutory financial statements showed a net profit of €227,535,268.46; and
- the Company's consolidated financial statements showed a net profit of €771.7 million.

The first resolution also invites you to vote specifically on the total amount of costs and expenses referred to in article 39-4 of the French Tax Code, i.e., costs and expenses not deductible for tax purposes.

Appropriation of net profit and dividend recommendation (third resolution)

In the third resolution, you are asked to vote on the proposed appropriation of the Company's net profit and on the dividend recommendation.

The proposed appropriation of net profit is as follows:

- the Company's net profit for the year ended December 31, 2018 amounted to €227,535,268.46;
- the sum of €275,759.20 will be transferred to the legal reserve to bring it up to 10% of the share capital;
- as there are no retained earnings, the amount available for distribution is equal to the amount of net profit for the year ended December 31, 2018, i.e., €227,259,509.26;
- the sum of €16,965,062.22 will be transferred to the non-distributable reserve for treasury shares, bringing it up to a total of €19,679,214.30;
- the amount available for distribution, less the amount transferred to the non-distributable reserve for treasury shares, will therefore amount to €210,294,447.04.

On that basis, the Board is recommending a dividend of €1.34 per share, making a total payout of €357,230,334.68, based on the number of shares comprising the share capital at December 31, 2018, less the treasury shares held by the Company at that date. The portion in excess of the amount available for distribution, i.e., €146,935,887.64, will be deducted from premium account.

In the event of a change in the number of shares entitled to a dividend before the dividend payment date, the total dividend payout will be adjusted accordingly.

Treasury shares held by the Company and shares that have been canceled before the payment date are not entitled to a dividend. For individuals who are French tax residents, the dividend payment of €1.34 per share will be taxable as follows:

- €0.79 ⁽¹⁾ of the dividend is treated as taxable investment income and is subject to either (i) flat-rate income tax at 12.8%, or

(1) This breakdown is given for information purposes only and may be modified if the number of shares entitled to a dividend changes between now and the dividend payment date.

(ii) progressive income tax, upon irrevocable election made in the taxpayer's tax return no later than the filing deadline date, in which case it is eligible for the 40% tax relief provided for in article 158-3-2° of the French Tax Code for French tax residents. In principle, this portion of the dividend is subject to a flat-rate withholding tax of 12.8% (excluding social security contributions) on the gross amount, and the withholding will then be set off against income tax due on income received in 2019. However, under article 117 *quater* of the French Tax Code, "*individuals belonging to a tax household whose reference taxable income for the last but one year, as defined in article 1417-IV-1°, is less than €50,000 for single, divorced or widowed taxpayers or less than €75,000 for taxpayers taxed jointly, may apply for exemption from this withholding tax.*" Applications for exemption should be made by the taxpayer on the terms and conditions set out in article 242 *quater* of the French Tax Code. This portion of the dividend is also subject to a social security levy of 17.2% and, for taxpayers whose reference taxable income exceeds certain thresholds, to an exceptional levy on high incomes at a rate of either 3% or 4% as applicable, pursuant to article 223 *sexies* of the French Tax Code;

- €0.55⁽¹⁾ of the dividend payment will be paid out of premium account and is treated as a capital redemption within the meaning of article 112 paragraph 1° of the French Tax Code. It is therefore non-taxable for individuals who are French tax residents. However, this sum will be set off against the purchase cost of the shares for capital gains tax purposes.

The tax rules described here are those applicable at the date of this report. If there is a significant change in the breakdown per share

between the amount treated as investment income (taxable as described above) and the amount treated as a capital redemption — for instance due to a change in the number of treasury shares held on the payment date — additional information will be issued by the Company. Shareholders are invited to consult their usual advisers for information about the tax rules applicable to them.

If this resolution is adopted, the ex-dividend date will be June 3, 2019 and the dividend payment date will be June 5, 2019.

Approval of compensation paid or awarded to Gilles Schnepf (fourth resolution)

Pursuant to articles L. 225-37-2 and L. 225-100 of the French Commercial Code, you are required to vote on all items of compensation paid or awarded to Gilles Schnepf in 2018 since his appointment as Chairman of the Board of Directors on February 8, 2018. These items of compensation were paid or awarded in accordance with the compensation policy approved by the Annual Shareholders' Meeting on May 30, 2018.

At his own initiative, Gilles Schnepf decided to forego his fixed, variable and long-term compensation as Chairman and Chief Executive Officer due in respect of 2018, i.e., for the period from January 1 to February 7, 2018. Accordingly, there will be no ex-post vote on the items of compensation paid or awarded to Gilles Schnepf in 2018 in respect of his office as Chairman and Chief Executive Officer.

In the fourth resolution you are asked to approve the following items of compensation paid or awarded to Gilles Schnepf in 2018 in his capacity as Chairman of the Board of Directors as of February 8, 2018.

(1) This breakdown is given for information purposes only and may be modified if the number of shares entitled to a dividend changes between now and the dividend payment date.

Items of compensation paid or awarded to the Chairman of the Board of Directors in 2018, as of February 8, 2018	Amount/weighting as a percentage of fixed compensation	Presentation
Fixed compensation	€625,000	<p>Gross annual fixed compensation set by the Board of Directors on March 20, 2018, on the recommendation of the Compensation Committee, corresponding to the amount payable to Gilles Schnepf in his capacity as Chairman of the Board of Directors since the separation of the offices of Chairman of the Board and Chief Executive Officer.</p> <p>This annual fixed compensation was set by the Board of Directors at the proposal of the Compensation Committee in accordance with the principles described in section 6.2.1.1 of the Company's Registration Document, and is consistent with the Chairman's responsibilities and duties as provided for by the law, the Articles of Association and the internal rules. The main factors taken into consideration in determining this compensation were (i) the key role played by the Chairman of the Board of Directors in the context of the overall responsibilities of the Board and its specialized committees, and the skills and experience required to discharge these responsibilities, and (ii) benchmarking reviews of current market practices in terms of compensation paid to non-executive Chairmen of CAC 40 companies.</p>
Annual variable compensation	Not applicable	<p>There are no plans to award any annual variable compensation.</p> <p>The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance.</p>
Deferred variable compensation	Not applicable	<p>There are no plans to award any deferred variable compensation.</p>
Long-term cash incentives	Not applicable ⁽¹⁾	<p>There are no plans to award any long term cash incentives.</p> <p>The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance.</p>
Stock options, performance shares or any other form of long-term compensation	Stock options: Not applicable	<p>There are no plans to award any stock options.</p> <p>The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance.</p>
	Performance shares	<p>There are no plans to award any performance shares.</p> <p>The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance. However, he could receive performance shares awarded before February 2018 in respect of the 2015, 2016 and 2017 performance share plans provided that the performance criteria are met.</p>
	Awards of other securities: Not applicable	<p>There are no plans to award other securities.</p> <p>The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance.</p>
Exceptional compensation	Not applicable	<p>There are no plans to award any exceptional compensation.</p>
Directors' fees	Not applicable	<p>The Chairman of the Board of Directors does not receive directors' fees in respect of his directorships of the Company or its subsidiaries.</p>
Estimated value of benefits of all kinds	Not applicable	

(1) The amount of €937,500 corresponding to 2013 Future Performance Units awarded to Gilles Schnepf and approved by the Shareholders' Meeting at the time of their award and upon expiration of the vesting period, as described on pages 221-223 of the Company's 2018 Registration Document, was paid to Gilles Schnepf in June 2018.



Approval of the compensation paid or awarded to Benoît Coquart, Chief Executive Officer (fifth resolution)

Pursuant to articles L. 225-37-2 and L. 225-100 of the French Commercial Code, you are required to vote on all items of compensation paid or awarded to Benoît Coquart in 2018 since his appointment as Chief Executive Officer on February 8, 2018. These items of compensation were paid or awarded in accordance with the compensation policy approved by the Annual Shareholders' Meeting on May 30, 2018.

In the fifth resolution, therefore, you are asked to approve the following items of compensation paid or awarded to Benoît Coquart in 2018.

Compensation components paid or awarded with respect to the 2018 financial year to Mr. Benoît Coquart from February 8, 2018, submitted to the approval of shareholders

Compensation components paid or awarded in respect of the 2018 financial year from February 8, 2018	Amounts or accounting valuation submitted for vote	Details
Fixed compensation	<p>Annual amount: €700,000</p> <p>Amount adjusted on a prorata basis from February 8, 2018: €627,083</p>	<p>Gross annual fixed compensation set by the Board of Directors on March 20, 2018 and unchanged since that date, on the recommendation of the Compensation Committee, after considering the levels of responsibility, profile and experience of the new Chief Executive Officer as well as market practices, which were identified by an independent consulting firm relating to compensation practices for similar functions in CAC 40 companies.</p> <p>The annual fixed compensation of the Chief Executive Officer has been moderately increased compared to that featuring in the 2017 compensation policy applicable to the Chairman and Chief Executive Officer, given that:</p> <ul style="list-style-type: none"> ■ there had been no increase in Mr. Gilles Schnepf's fixed compensation since 2011; ■ it was positioned below comparables; ■ the change in Chief Executive Officer, his situation, profile and his experience made it necessary to position his compensation at a consistent and reasonable level compared with the market in order to ensure that the retention objective was met satisfactorily. <p>It is important to note that, even after the increase, the amount of his annual fixed compensation remains lower than the first decile of the CAC 40 in accordance with the external study carried out in 2018, which the Board of Directors considers to be reasonable.</p>
Annual variable compensation ⁽¹⁾	<p>Annual amount: €730,100</p> <p>Amount adjusted on a prorata basis from February 8, 2018: €654,048</p>	<p>The Board of Directors decided that Mr. Benoît Coquart's variable compensation in respect of the 2018 financial year could vary between 0% and 150% of annual fixed compensation (with a target value set at 100% of annual fixed compensation) and would be determined as follows:</p> <ul style="list-style-type: none"> ■ a quantifiable portion representing 3/4 of this annual fixed compensation, therefore potentially varying from 0% to 112.5% of the annual fixed compensation (with a target value set at 75%) and calculated on the basis of criteria relating to (i) the achievement of a certain level of 2018 adjusted operating margin before acquisitions, (ii) 2018 organic sales growth, (iii) 2018 sales growth resulting from acquisitions (scope effect) and (iv) Legrand's inclusion in benchmark CSR indices; and ■ a qualitative portion representing 1/4 of this annual variable compensation, therefore potentially varying from 0% to 37.5% of the annual fixed compensation (with a target value set at 25%) and calculated on the basis of criteria relating to (i) sales growth (increased market share, new products, sales policies, access to new markets, alliances (including outside France), expansion in new economies), (ii) the external growth policy (compliance with priorities, emphasis on multiples paid, emphasis on any potential dilutive effects of acquisitions on the Group's performance, quality of integration for acquisitions already made), and (iii) other general criteria, particularly risk management, workforce-related initiatives and dialogue, diversity and gender balance and succession plans. <p>Based on work done and proposals made by the Compensation Committee, the Board, at its meeting on March 20, 2019, set:</p> <ul style="list-style-type: none"> ■ at 71.3% of the annual fixed compensation the variable portion of 2018 compensation resulting from the achievement of quantifiable targets; and ■ at 33% of annual fixed compensation the variable portion of 2018 compensation resulting from the achievement of qualitative targets; <p>therefore corresponding to an achievement rate of 69.5% (equal to 104.3% divided by 150%) of maximum annual variable compensation and 104.3% (equal to 104.3% divided by 100%) of the target, i.e. €730,100 on an annual basis and €654,048 adjusted on a prorata basis from February 8, 2018, when Mr. Benoît Coquart was appointed (details of the achievement rate of quantifiable and qualitative criteria are described in section 6.2.2.2 of the Company's registration document).</p>
Deferred variable compensation	Not applicable	There are no plans to award any deferred variable compensation.
Long-term cash compensation	Not applicable ⁽³⁾	There are no plans to award any long-term cash compensation.

Compensation components paid or awarded in respect of the 2018 financial year from February 8, 2018	Amounts or accounting valuation submitted for vote	Details
	Stock options: not applicable	There are no plans to award any stock options.
Stock options, performance shares or any other long-term compensation component	Performance shares/valuation: Annual amount: €1,226,528 Pro rata amount as of February 8, 2018 €1,098,757	On the recommendation from the Compensation Committee, the Board of Directors on May 30, 2018 decided to set up a 2018 Performance Share Plan. This plan (including the performance criteria applicable to the shares awarded) is described in section 6.2.2.2 of the Company's registration document, on pages 228-230, and in section 7.3 of the Company's registration document, page 248. The award benefiting Mr. Benoît Coquart in respect of this plan corresponds to 3.72% of the overall award ⁽²⁾ . The number of performance shares awarded to Mr. Benoît Coquart is 19,366. This number of shares that will definitively vest may subsequently vary in a range between 0% and 150% of the number of shares initially awarded, according to the level of achievement of "external" and "internal" financial performance criteria and an extra-financial performance criterion. The Board of Directors took its decision on May 30, 2018 on the basis of an authorization granted by the General Meeting on May 30, 2018, in its seventeenth resolution (Authorization to award performance shares).
	Other awards of securities: not applicable	There are no plans to make other awards of securities.
Extraordinary compensation ⁽¹⁾	Not applicable	There are no plans to award extraordinary compensation.
Attendance fees	Not applicable	Mr. Benoît Coquart does not receive attendance fees in respect of his office within the subsidiaries of the Company.
Value of benefits of any kind	Annual amount: €4,347 Amount adjusted on a prorata basis from February 8, 2018: €3,894	An executive car was made available to the Chief Executive Officer in 2018.

(1) Compensation component whose payment is subject to the approval of the Annual Combined General Meeting of May 29, 2019, pursuant to paragraph 2 of section II of article L. 225-100 of the French Commercial Code.

(2) This calculation takes into account the adjustment of the number of performance shares made in view of the dividend payment arrangements decided upon by the Company's Combined Shareholders' General Meeting on May 30, 2018, to acknowledge the impact of this transaction on the interests of beneficiaries of performance shares (for details, please refer to chapter 7.3 of the 2018 registration document).

(3) €656,929, corresponding to 2013 Future Performance Units awarded to Mr. Benoît Coquart with respect to his role prior to his appointment as Chief Executive Officer, was paid to him in June 2018.

Summary table of criteria for determining the Chief Executive Officer's 2018 annual variable compensation

Benoît Coquart's annual variable compensation for 2018 was based on the following criteria:

			Min.	Target	Max.	Actual	
Quantifiable: 3/4 of annual variable i.e., 75% of fixed compensation (target)	Operating margin	2018 adjusted operating margin (at 2017 scope)	As a % of fixed compensation	0%	40%	60%	32%
			Indicator value	20%	20.25%	20.5%	20.2%
	Organic revenue growth	2018 organic revenue growth	As a % of fixed compensation	0%	15%	22.5%	22.5%
			Indicator value	1%	2.5%	4%	4.9%
	External growth	2018 revenue growth due to scope effect	As a % of fixed compensation	0%	10%	15%	12.8%
			Indicator value	0%	5%	10%	7.8%
	Corporate Social Responsibility (CSR)	Inclusion of Legrand in benchmark CSR indices	As a % of fixed compensation	0%	10%	15%	4%
			Indicator value	7	12	14	9%
	TOTAL QUANTIFIABLE			0%	75%	112.5%	71.3%
	Qualitative: 1/4 of annual variable i.e., 25% of fixed compensation (target)	Revenue growth	Market share gains, new products, sales policies, access to new markets, partnerships (including outside France), expansion in the new economies	0%	10%	15%	12%
External growth strategy		Compliance with priorities set, focus on multiples paid, focus on any dilutive effects of acquisitions on the Group's performance, quality of integration of acquisitions already made	0%	10%	15%	15%	
General criteria		Risk management, social dialogue and initiatives, diversity and equality in the workplace, succession plans	0%	5%	7.5%	6%	
TOTAL QUALITATIVE			0%	25%	37.5%	33%	
TOTAL VARIABLE AS A % OF FIXED COMPENSATION			0%	100%	150%	104.3%	

Chief Executive Officer's 2018 long-term compensation

The long-term compensation awarded to Benoît Coquart for 2018 consists in a performance share plan (the "2018 Performance Share Plan"), approved by the Board of Directors on May 30, 2018 on the recommendation of the Compensation Committee.

Under this plan, the number of performance shares that will vest will range from 0% to 150% of the initial award depending on the level of achievement of four financial and non-financial criteria measured over a period of three years, as described below.

Accordingly, the performance criteria are measured over a three-year period and the number of performance shares ultimately awarded to the Chief Executive Officer is calculated according to the following method:

Criterion of adjusted operating margin before acquisitions

Payment rate ⁽¹⁾	Between 50% and 90%		Between 90% and 110%		Between 110% and 150%		150%
	0%		90%		110%		
3-year average of achievement rates in 2018, 2019 and 2020	Below (LE ⁽²⁾ - 50 bps)	Between (LE ⁽²⁾ - 50 bps) and LE	Equal to LE⁽²⁾	Between LE ⁽²⁾ and UE ⁽³⁾	Equal to UE⁽³⁾	Between UE ⁽³⁾ and (UE ⁽³⁾ + 50 bps)	Above (UE ⁽³⁾ + 50 bps)

Illustration of the determination of the 3-year target based on the 2018 award plan

	Lower end of the annual target range	Upper end of the annual target range
Year 1: 2018	Equal to 20.0%	Equal to 20.5%
Year 2: 2019	Equal to 19.9%	Equal to 20.7%
Year 3: 2020	Disclosed to the market in February 2020	Disclosed to the market in February 2020
3-year target: Average of annual targets	LE⁽²⁾	UE⁽³⁾

(1) For any point between the limits given in the table above, the payment rate is calculated on a straight-line basis.

(2) LE corresponding to the 3-year average of the lower ends of the annual target ranges disclosed to the market.

(3) UE corresponding to the 3-year average of the upper ends of the annual target ranges disclosed to the market.

Organic sales growth criterion

Payment rate ⁽¹⁾	0%	Between 50% and 90%	90%	Between 90% and 110%	110%	Between 110% and 150%	150%
3-year average of achievement rates in 2018, 2019 and 2020	Below (LE ⁽²⁾ - 2 points)	Between (LE ⁽²⁾ - 2 points) and LE ⁽²⁾	Equal to LE⁽²⁾	Between LE ⁽²⁾ and UE ⁽³⁾	Equal to UE⁽³⁾	Between UE ⁽³⁾ and (UE ⁽³⁾ + 2 points)	Above (UE ⁽³⁾ + 2 points)

Illustration of the determination of the 3-year target based on the 2018 award plan

	Lower end of the annual target range	Upper end of the annual target range
Year 1: 2018	Equal to 1.0%	Equal to 4.0%
Year 2: 2019	Equal to 0.0%	Equal to 4.0%
Year 3: 2020	Disclosed to the market in February 2020	Disclosed to the market in February 2020
3-year target: Average of annual targets	LE⁽²⁾	UE⁽³⁾

(1) For any point between the limits given in the table above, the payment rate is calculated on a straight-line basis.

(2) LE corresponding to the 3-year average of the lower ends of the annual target ranges disclosed to the market.

(3) UE corresponding to the 3-year average of the upper ends of the annual target ranges disclosed to the market.

Group CSR roadmap annual achievement rates

Payment rate ⁽¹⁾	0%	Between 70% and 100%	Between 100% and 105%	Between 105% and 150%	150%
Arithmetic average over a 3-year period of the CSR roadmap annual achievement rates	Lower than 70%	Between 70% and 100%	Between 100% and 125%	Between 125% and 200%	Above 200%

(1) For any point between the limits given in the table above, the payment rate is calculated on a straight-line basis.

Legrand share price performance

Payment rate ⁽¹⁾	0%	30%	Between 30% and 150%	150%
Difference in between the performance of Legrand's share price and that of the CAC 40 index ⁽²⁾	Lower than 0 point	Equal to 0 point	Between 0 point and 15 points	Higher than 15 points

(1) For any point between the limits given in the table above, the payment rate is calculated on a straight-line basis.

(2) For the 2018 award plan, 3-year performance will be measured over the 2018-2020 period using the following calculation method:

- Legrand share price performance: comparison of the average daily closing prices in the second half of the third year of the plan (second half of 2020) with the average daily closing market prices in the second half of the year preceding the first year of the plan (second half of 2017), or €61.30;
- performance of the CAC 40 index: comparison of the average CAC 40 daily closing level in the second half of the third year of the plan (second half of 2020) with the average CAC 40 closing level in the second half of the year preceding the first year of the plan (second half of 2017), i.e. 5275.8 points.

The difference between these two performances will be measured by the difference, in percentage points, between the change in the Legrand share price and the change in the CAC 40 index.

The performance criteria applicable to performance share awards made under this plan are described in section 6.2.2.2 of the Company's Registration Document.

Compensation policy applicable to the Chairman of the Board of Directors for 2019: approval of the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional items of compensation and benefits making up the Chairman of the Board's total compensation package (sixth resolution)

Pursuant to article L. 225-37-2 of the French Commercial Code, you are required to vote on the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional items

of compensation and benefits making up the Chairman of the Board's total compensation package for 2019, which constitutes the compensation policy applicable to him.

The amounts resulting from the application of these principles and criteria will also be subject to a vote at the next Annual Shareholders' Meeting held in 2020 to approve the 2019 financial statements, inasmuch as payment of the variable and exceptional items of compensation is conditional on approval at the 2020 Annual Shareholders' Meeting.

Accordingly, in the sixth resolution you are asked to approve the following elements of the 2019 compensation policy applicable to the Chairman of the Board.

2019 compensation policy for the Chairman of the Board in respect of his office, subject to shareholder vote

The various elements of the compensation policy for the Chairman of the Board are presented in the table below:

Items of compensation attributable in 2019	Amount/weighting as a percentage of fixed compensation	Presentation
Fixed compensation	€625,000	Gross annual fixed compensation set by the Board on March 20, 2018 and renewed by the Board on March 20, 2019 on the recommendation of the Compensation Committee. This annual fixed compensation was set by the Board of Directors at the proposal of the Compensation Committee in accordance with the principles described in section 6.2.1.1 of the Company's Registration Document, and is consistent with the Chairman's responsibilities and duties as provided for by the law, the Articles of Association and the internal rules. The main factors taken into consideration in determining this compensation were (i) the key role played by the Chairman of the Board of Directors in the context of the overall responsibilities of the Board and its specialized committees, and the skills and experience required to discharge these responsibilities, and (ii) 2018 benchmarking reviews of current market practices in terms of compensation paid to non-executive Chairmen of CAC 40 companies.
Annual variable compensation	Not applicable	There are no plans to award any annual variable compensation. The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance.
Deferred variable compensation	Not applicable	There are no plans to award any deferred variable compensation.
Long-term cash incentives	Not applicable	There are no plans to award any long term cash incentives. The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance.
Stock options, performance shares or any other form of long-term compensation	Stock options: Not applicable	There are no plans to award any stock options. The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance.
	Performance shares	There are no plans to award any performance shares. The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance. However, he could receive performance shares awarded before February 2018 in respect of the 2015, 2016 and 2017 performance share plans provided that the performance criteria are met.
	Awards of other securities: Not applicable	There are no plans to award other securities. The Chairman of the Board of Directors is not entitled to any variable compensation schemes, including performance share plans or any other form of long-term compensation existing in the Company, in accordance with the recommendations of the Code of Corporate Governance.
Exceptional compensation	Not applicable	There are no plans to award any exceptional compensation.
Directors' fees	Not applicable	The Chairman of the Board of Directors does not receive directors' fees in respect of his directorships of the Company or its subsidiaries.
Estimated value of benefits of all kinds	Not applicable	

Items of compensation subject to a vote by the Annual Shareholders' Meeting under the procedure for related-party agreements and undertakings

Items of compensation subject to a vote by the Annual Shareholders' Meeting under the procedure for related-party agreements and undertakings	Amount	Presentation
Severance payment	Not applicable	There is no undertaking in this regard.
Non-compete benefit	Not applicable	There is no undertaking in this regard.
Supplementary pension plan	Not applicable	There is no undertaking in this regard.

Signing bonus in the event of the appointment of a new Chairman of the Board during 2019

There is no provision for any signing bonus intended to compensate for the loss of benefits in the event of the appointment of a new Chairman of the Board during 2019.

The compensation policy applicable to the Chairman of the Board for 2019 is described in section 6.2.1.2 of the Company's Registration Document.

Compensation policy applicable to the Chief Executive Officer for 2019: approval of the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional items of compensation and benefits making up the Chief Executive Officer's total compensation package (seventh resolution)

Pursuant to article L. 225-37-2 of the French Commercial Code, you are required to vote on the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional items of compensation and benefits making up the Chief Executive Officer's total compensation package for 2019, which constitutes the compensation policy.

The amounts resulting from the application of these principles and criteria will also be subject to a vote at the next Annual Shareholders' Meeting held in 2020 to approve the 2019 financial statements, inasmuch as payment of the variable and exceptional items of compensation is conditional on approval at the 2020 Annual Shareholders' Meeting.

Accordingly, in the seventh resolution you are asked to approve the following elements of the 2019 compensation policy applicable to the Chief Executive Officer in respect of his office.

Component	Strategic purpose	Operation	Amount/Weighting as % of fixed compensation
Fixed	Compensate the scope and level of responsibilities	Determined by the Board of Directors, fairly and competitively, upon a recommendation of the Compensation Committee, in consideration of: <ul style="list-style-type: none"> ■ level of responsibility; ■ experience; ■ market practices of CAC 40 companies; ■ potential changes of role and responsibility. 	€700,000
		Determined by the Board of Directors, upon a recommendation from the Compensation Committee, according to strategic priorities, of the following elements: <ul style="list-style-type: none"> ■ annual objectives to be achieved; ■ type and weighting of performance criteria; ■ proportion between quantifiable and qualitative criteria.. 	Minimum value: 0% of fixed compensation
Annual variable	Encourage the achievement of the Company's financial and extra-financial annual targets	Of which quantifiable (75%): structured so as to incentivize the achievement of specific and ambitious performance criteria: <ul style="list-style-type: none"> ■ financial criteria (adjusted operating margin before acquisitions, organic growth, external growth); ■ extra-financial criteria (achievement rate of the Group's CSR roadmap) 	Target value: 100% of fixed compensation
		Of which qualitative (25%): structured so as to take account of the year's initiatives deployed to support growth and risk management.	Maximum value: 150% of fixed compensation
Long-term	Incentivize long-term financial and extra-financial performance Retain and develop loyalty over the long term	Determined by the Board of Directors upon a recommendation from the Compensation Committee: <ul style="list-style-type: none"> ■ objectives to be achieved; ■ type and weighting of future performance criteria. 	Minimum value: 0%
		Determined after application of a presence condition and four demanding performance criteria (each counting for a quarter) measured over three years: <ul style="list-style-type: none"> ■ target for adjusted operating margin before acquisitions (three-year average of achievements); ■ target for organic sales growth (3-year average of achievements); ■ rate of achievement of the Group's CSR roadmap (3-year average of achievements); ■ Legrand share price performance as compared with the performance of the CAC 40 index (difference in performance measured over a 3-year period). 	Initially awarded value (target value): 200% of fixed compensation, converted into shares Maximum value: 150% of the number of shares initially awarded depending on the achievement of future performance criteria

Compensation policy for the Chief Executive Officer in respect of 2019 financial year submitted or the approval of shareholders

The components that make up the policy relating to the 2019 compensation attributable to the Chief Executive Officer are presented in the table below:

Compensation components attributable in respect of the 2019 financial year	Amount/weighting as percentage of fixed compensation	Details
Fixed compensation	€700,000	<p>Gross annual fixed compensation set by the Board of Directors on March 20, 2019, on the recommendation of the Compensation Committee, after considering the levels of responsibility, profile and experience of the new Chief Executive Officer as well as market practices.</p> <p>As indicated on page 211 of the Company's registration document, the annual fixed compensation of the Chief Executive Officer was not altered compared to that provided for under the 2018 compensation policy.</p>
Annual variable compensation	<p>Minimum value: 0% of fixed compensation</p> <p>Target value: 100%</p> <p>Maximum value: 150% of fixed compensation</p>	<p>At its meeting on March 20, 2019, on the recommendation of the Compensation Committee, the Board of Directors decided to maintain unchanged the weightings of quantifiable and qualitative criteria relating to annual variable compensation that had been established for the 2018 financial year, along with its target and maximum amounts. The Board of Directors and the Compensation Committee, as part of the 2018 compensation policy, increased the Chief Executive Officer's variable compensation as a percentage of his total compensation, thereby seeking to place the emphasis on annual variable compensation in order to incentivize financial and extra-financial performance. As regards the types of compensation criteria adopted, all quantifiable and qualitative criteria remained unchanged compared with 2018 with the exception of:</p> <ul style="list-style-type: none"> ■ the CSR criterion relating to the quantitative portion of annual variable compensation: the criterion concerning Legrand's inclusion in benchmark CSR indices has been replaced by a CSR criterion relates to the Group CSR roadmap achievement rate. That alteration is justified by the desire to ensure that the quantifiable CSR criterion used to determine the Chief Executive Officer's variable compensation is aligned with that applied to Executive Committee members; ■ the general criteria relating to the qualitative portion of annual variable compensation which are three (i) risk management, (ii) workforce-related initiatives and dialogue and (iii) diversity and gender equality. <p>The Board of Directors thus decided that the variable compensation paid to the Chief Executive Officer in respect of the 2019 financial year could vary between 0% and 150% of fixed annual compensation (with a target value set at 100% of fixed annual compensation) and would be determined as follows:</p> <ul style="list-style-type: none"> ■ a quantifiable portion representing 3/4 of this annual fixed compensation: it could therefore vary from 0% to 112.5% of the annual fixed compensation (with a target value set at 75%) and will be calculated on the basis of criteria relating to (i) the achievement of a certain level of 2019 adjusted operating margin before acquisitions, (ii) 2019 organic sales growth, (iii) 2019 sales growth resulting from acquisitions (scope effect) and (iv) the Group CSR roadmap achievement rate; and ■ a qualitative portion representing 1/4 of this annual variable compensation: it can therefore vary from 0% to 37.5% of the annual fixed compensation (with a target value set at 25%) and will be calculated on the basis of criteria relating to (i) sales growth (increased market share, new products, sales policies, access to new markets, alliances (including outside France), expansion in new economies), (ii) the external growth policy (compliance with agreed priorities, emphasis on multiples paid, emphasis on any potential dilutive effects of acquisitions on the Group's performance, quality of integration for acquisitions already made), and (iii) other general criteria, particularly risk management, workforce-related initiatives and dialogue, diversity and gender equality. <p>These quantifiable and qualitative criteria, as well as the targets set, are described in detail in section 6.2.1.3 of the Company's 2018 registration document.</p>
Deferred variable compensation	Not applicable	There are no plans to award any deferred variable compensation.
Long-term cash compensation	Not applicable	There are no plans to award any long-term cash compensation.

Compensation components attributable in respect of the 2019 financial year	Amount/weighting as percentage of fixed compensation	Details
Stock options, performance shares or any other long-term compensation component	Stock options: not applicable	There are no plans to award any stock options.
	Performance shares Minimum value: 0% Initially awarded value (target value): 200% Maximum value: 150% of the number of shares initially awarded according to achievement of future performance criteria	<p>On the recommendation of the Compensation Committee, the Board of Directors on March 20, 2019 decided to set up a long-term compensation plan for the 2019 financial year in the form of a 2019 Performance Share Plan.</p> <p>The target value of this plan is set at 200% of fixed compensation and will be converted into shares. The number of shares that will be definitively awarded will range between 0% and 150% of the number of shares initially awarded based on the level of achievement of four financial and extra-financial criteria calculated as three-year averages and detailed on pages 212-214.</p> <p>It should be noted that long-term compensation as a percentage of total compensation and the nature of performance criteria remain unchanged compared with the 2018 compensation policy. This plan is described (particularly the performance criteria applicable to the awarded shares and the calculation method for determining the number of shares ultimately vested) in section 6.2.1.3 of the Company's 2018 registration document. It should be noted that:</p> <ul style="list-style-type: none"> ■ the first two performance criteria are aligned with the targets disclosed by the Company in February 2019. These are annual targets concerning adjusted operating margin before acquisitions and organic sales growth. These indicators are central to Legrand's profitable growth-based business model; ■ the third criterion is of an extra-financial nature, based on the fulfilment of the Group's commitments in terms of corporate social responsibility within the framework of its CSR roadmap, which is central to Legrand's model and aims to ensure sustainable growth while respecting all stakeholders; ■ the last criterion is based on Legrand's share price performance compared with that of the CAC 40 index, thus making it possible to assess performance in relative terms, on the understanding that the principle of non-payment if the share price underperforms the CAC 40 index (as described on page 214) would apply to this criterion. <p>The proposed performance criteria thus reflect the Company's model based on profitable and sustainable growth aligned with the interests of shareholders, and are transparent.</p> <p>As stated previously, the Board of Directors took its decision on May 20, 2019 on the basis of an authorization granted by the General Meeting on May, 30, 2018, in its seventeenth resolution (Authorization to allocate performance shares)</p>
	Other awards of securities: not applicable	There are no plans to make other awards of securities.
Extraordinary compensation	Not applicable	There are no plans to award extraordinary compensation.
Attendance fees	Not applicable	The Chief Executive Officer does not receive attendance fees in respect of his office within the subsidiaries of the Company.
Value of benefits of any kind	€5,406	A executive car will be available to the Chief Executive Officer. This amount is given for information purposes only.

Compensation components voted upon by the Shareholders' General Meeting in accordance with the procedure relating to related party agreements and undertakings

Compensation components voted upon by the Shareholders' General Meeting in accordance with the procedure relating to related party agreements and undertakings	Amounts	Details
Severance payment	Not applicable	There is no undertaking in this regard.
Non-compete compensation	1 year of the reference salary (annual fixed + variable) at the Company's sole initiative	<p>Given the profile of the new Chief Executive Officer and to protect the interests of the Company and its shareholders, the meeting of the Board of Directors held on March 20, 2018, on the recommendation of the Compensation Committee, authorized a non-compete agreement between the Company and the Chief Executive Officer, whereby the Chief Executive Officer undertakes not to carry out any activity that will compete with that of Legrand for a one-year period starting from the date his term of office ends.</p> <p>The Company's Board of Directors will decide, after the Chief Executive Officer's term of office ends, whether or not to apply this non-compete clause, and may unilaterally decide to waive the application of this clause.</p> <p>If applied, the Chief Executive Officer's fulfilment of this undertaking would result, for a one-year period after the end of his term of office as Chief Executive Officer, in the payment by the Company of monthly compensation equal to the monthly average of the reference salary received during the last twelve months of presence in the company, it being stipulated that the reference salary includes the annual fixed and variable salary and excludes sums received as long-term variable compensation, which will be an amount lower than the cap recommended by the Code of Corporate Governance.</p> <p>In accordance with the procedure relating to related party agreements and undertakings, this agreement was authorized by the Board of Directors on March 20, 2018 and was approved by the Combined Shareholders' General Meeting of May 30, 2018 (seventh resolution).</p>
Supplementary pension plan	€2,431	<p>There is no commitment corresponding to a defined-benefit pension plan.</p> <p>The Chief Executive Officer continues to benefit from the mandatory collective defined-contribution pension plan that falls within the scope of supplementary article 83 of the French General Tax Code, applicable to the Group's French executives, to which he was affiliated before his appointment as Chief Executive Officer, under the same terms as the rest of the employees concerned.</p> <p>All of the Group's French executives qualify for the defined-contribution pension plan (supplementary article 83 of the French General Tax Code). Contributions are based on the A, B and C Tranches of compensation as defined for the calculation of contributions to the mandatory supplementary pension plans (ARRCO-AGIRC). Entitlements accrue through the payment of annual contributions equal to 1.5% of the A, B and C Tranches. The Company pays half of this amount (0.75%) and the beneficiaries pay the other half (0.75%).</p> <p>This amount is given for information purposes only for 2019.</p> <p>In accordance with the procedure relating to related party agreements and undertakings, this commitment was authorized by the Board of Directors on February 7, 2018 and was approved by the Combined Shareholders' General Meeting of May 30, 2018 (eighth resolution).</p>
Pension and medical expenses plan	€6,579	<p>The Chief Executive Officer benefits from "medical expenses" supplementary health insurance and "death, incapacity and invalidity" insurance available to the Group's French executives, since he is regarded, in social security and tax terms, as an executive. He receives those benefits on the same terms as the other employees in that category.</p> <p>This amount is given for information purposes only for 2019.</p> <p>In accordance with the procedure relating to related party agreements and undertakings, this commitment was authorized by the Board of Directors on February 7, 2018 and was approved in the Combined Shareholders' General Meeting of May 30, 2018 (eighth resolution).</p>

Signing bonus in the event of the appointment of a new Chief Executive Officer in 2019

There is no provision for any signing bonus intended to compensate for loss of benefits in the event of the appointment of a new Chief Executive Officer during 2019.

Principles and criteria for determining the 2019 annual variable compensation attributable to the Chief Executive Officer

The principles for calculating the annual variable compensation for 2019, including the criteria applicable and their weighting, as shown in the table below, were determined by the Board of Directors on March 20, 2019, on the recommendation of the Compensation Committee.

As indicated in page 211 of the Company's Registration Document, the broad structure of the Chief Executive Officer's compensation package has not changed from 2018.

Furthermore, the Board of Directors also decided, on the recommendation of the Compensation Committee, not to change the weighting of the quantifiable and qualitative criteria for annual variable compensation compared with 2018. The nature of the criteria is also unchanged, except for:

- the CSR criterion for the quantifiable portion of annual variable compensation: the criterion based on Legrand's inclusion in the benchmark CSR indices has been replaced by a criterion based on the level of achievement of the Group's CSR roadmap. This change is justified by the desire to align the CSR criterion for the Chief Executive Officer with that applicable to members of the Executive Committee;
- the general criteria relating to the qualitative portion of annual variable compensation which are three (i) risk management, (ii) workforce-related initiatives and dialogue (iii) diversity and gender equality.
- The Board of Directors has therefore established the following compensation structure for the Chief Executive Officer in 2019:

				Min.	Target	Max.
Quantifiable: 3/4 of annual variable i.e., 75% of fixed compensation (target)	Operating margin	2019 adjusted operating margin (at 2018 scope)	As a % of fixed compensation	0%	40%	60%
			Indicator value	19.9%	20.3%	20.7%
	Organic revenue growth	2019 organic revenue growth	As a % of fixed compensation	0%	15%	22.5%
			Indicator value	0%	2%	4%
	External growth	2019 revenue growth due to scope effect	As a % of fixed compensation	0%	10%	15%
			Indicator value	0%	5%	10%
	Corporate Social Responsibility (CSR)	Level of achievement of the Group's CSR roadmap	As a % of fixed compensation	0%	10%	15%
			Indicator value	70%	100%	130%
TOTAL QUANTIFIABLE				0%	75%	112.5%
Qualitative: 1/4 of annual variable i.e., 25% of fixed compensation (target)	Revenue growth	Market share gains, new products, sales policies, access to new markets, partnerships (including outside France), expansion in the new economies		0%	10%	15%
	External growth strategy	Compliance with priorities set, focus on multiples paid, focus on any dilutive effects of acquisitions on the Group's performance, quality of integration of acquisitions already made		0%	10%	15%
	General criteria	Risk management, social dialogue and initiatives, diversity and development of gender diversity in the workplace,		0%	5%	7.5%
	TOTAL QUALITATIVE				0%	25%
TOTAL VARIABLE AS A % OF FIXED COMPENSATION				0%	100%	150%

Principles and criteria for determining long-term variable compensation attributable to the Chief Executive Officer for 2019

The long-term compensation awarded to the Chief Executive Officer for 2019 consists in a performance share plan (the "2019 Performance Share Plan"). This initial award, which will be converted into shares at the time of the Board meeting to be held on May 29, 2019 after the 2019 Annual Shareholders' Meeting, corresponds to 200% of the target amount of fixed compensation, subject to shareholder approval.

As in 2018, the number of performance shares that will vest will range from 0% to 150% of the initial award depending on the level of achievement of four financial and non-financial criteria measured over a period of three years, as described below and on pages 212-214 of the Company's Registration Document.

The proposed performance criteria thus reflect the Company's model based on profitable and sustainable growth aligned with the interests of shareholders, and are transparent.

Performance criterion	Description of criteria and target-setting method	Weighting
Target of adjusted operating margin before acquisitions	Target: 3-year average of the upper and lower ends of the annual target ranges concerned. Comparison between the target and the average achievement over three years.	1/4
Target of organic sales growth	Target: 3-year average of the upper and lower ends of the annual target ranges concerned. Comparison between the target and the average achievement over three years.	1/4
Annual Group's CSR roadmap achievement rates	Target: arithmetic average over 3 years of the annual CSR roadmap achievement rates.	1/4
Legrand share price performance compared with the performance of the CAC 40 index	Difference in performance between the Legrand share price and that of the CAC 40 index over a 3-year period.	1/4

Accordingly, the performance criteria are measured over a three-year period and the number of performance shares ultimately awarded to the Chief Executive Officer is calculated according to the following method:

1) Adjusted operating margin before acquisitions criterion

Payment rate ⁽¹⁾	Between 50% and 90%		90%	Between 90% and 110%		110%	Between 110% and 150%		150%
	0%	Between (LE ⁽²⁾ - 50 bps) and LE	Equal to LE ⁽²⁾	Between LE ⁽²⁾ and UE ⁽³⁾	Equal to UE ⁽³⁾	Between UE ⁽³⁾ and (UE ⁽³⁾ + 50 bps)	Above (UE ⁽³⁾ + 50 bps)		
3-year average of achievement rates in 2019, 2020 and 2021	Lower than (LE ⁽²⁾ - 50 bps)	Between (LE ⁽²⁾ - 50 bps) and LE	Equal to LE ⁽²⁾	Between LE ⁽²⁾ and UE ⁽³⁾	Equal to UE ⁽³⁾	Between UE ⁽³⁾ and (UE ⁽³⁾ + 50 bps)	Above (UE ⁽³⁾ + 50 bps)		

Determination of the 3-year target based on the 2019 award plan

	Lower End of the annual target range	Upper End of the annual target range
Year 1: 2019	Equal to 19.9%	Equal to 20.7%
Year 2: 2020	Disclosed to the market in February 2020	Disclosed to the market in February 2020
Year 3: 2021	Disclosed to the market in February 2021	Disclosed to the market in February 2021
3-year target: Average of annual targets	LE ⁽²⁾	UE ⁽³⁾

(1) For any point between the limits given in the table above, the payment rate is calculated on a straight-line basis.

(2) LE corresponding to the 3-year average of the lower ends of the annual target ranges disclosed to the market.

(3) UE corresponding to the 3-year average of the upper ends of the annual target ranges disclosed to the market.

2) Organic sales growth criterion

Payment rate ⁽¹⁾	Between 50% and 90%		90%	Between 90% and 110%		110%	Between 110% and 150%		150%
	0%	Between (LE ⁽²⁾ - 2 points) and LE ⁽²⁾	Equal to LE ⁽²⁾	Between LE ⁽²⁾ and UE ⁽³⁾	Equal to UE ⁽³⁾	Between UE ⁽³⁾ and (UE ⁽³⁾ + 2 points)	Above (UE ⁽³⁾ + 2 points)		
3-year average of achievement rates in 2019, 2020 and 2021	Lower than (LE ⁽²⁾ - 2 points)	Between (LE ⁽²⁾ - 2 points) and LE ⁽²⁾	Equal to LE ⁽²⁾	Between LE ⁽²⁾ and UE ⁽³⁾	Equal to UE ⁽³⁾	Between UE ⁽³⁾ and (UE ⁽³⁾ + 2 points)	Above (UE ⁽³⁾ + 2 points)		

Determination of the 3-year target based on the 2019 award plan

	Lower End of the annual target range	Upper End of the annual target range
Year 1: 2019	Equal to 0.0%	Equal to 4.0%
Year 2: 2020	Disclosed to the market in February 2020	Disclosed to the market in February 2020
Year 3: 2021	Disclosed to the market in February 2021	Disclosed to the market in February 2021
3-year target: Average of annual targets	LE ⁽²⁾	UE ⁽³⁾

(1) For any point between the limits given in the table above, the payment rate is calculated on a straight-line basis.

(2) LE corresponding to the 3-year average of the lower ends of the annual target ranges disclosed to the market.

(3) UE corresponding to the 3-year average of the upper ends of the annual target ranges disclosed to the market.

3) Annual Group CSR roadmap achievement rates

Payment rate ⁽¹⁾	0%	Between 70% and 100%	Between 100% and 105%	Between 105% and 150%	150%
Arithmetic average over a 3-year period of the CSR roadmap annual achievement rates	Lower than 70%	Between 70% and 100%	Between 100% and 125%	Between 125% and 200%	Above 200%

(1) For any point between the limits given in the table above, the payment rate is calculated on a straight-line basis.

4) Legrand share price performance

Payment rate ⁽¹⁾	0%	30%	Between 30% and 150%	150%
Difference between the performance of Legrand's share price and that of the CAC 40 index ⁽²⁾	Below 0 points	Equal to 0 points	Between 0 points and 15 points	Above 15 points

(1) For any point between the limits given in the table above, the payment rate is calculated on a straight-line basis.

(2) For the 2019 award plan, 3-year performance will be measured over the 2019-2021 period using the following calculation method:

- Legrand share price performance: comparison of the average daily closing prices in the second half of the third year of the plan (second half of 2021) with the average daily closing market prices in the second half of the year preceding the first year of the plan (second half of 2018), i.e. €58.94;
- performance of the CAC 40 index: comparison of the average CAC 40 daily closing level in the second half of the third year of the plan (second half of 2021) with the average CAC 40 closing level in the second half of the year preceding the first year of the plan (second half of 2018), i.e. 5,213.7 points.

The difference between these two performances will be measured by the difference, in percentage points, between the change in the Legrand share price and the change in the CAC 40 index.

The compensation policy applicable to the Chief Executive Officer for 2019 is described in section 6.2.1.3 of the Company's Registration Document.

Renewal of Eliane Rouyer-Chevalier as director (eighth resolution)

Eliane Rouyer-Chevalier's term of office expires at the close of the Annual Shareholders' Meeting and intends to be renewed as director.

In the eighth resolution, you are invited to re-elect Eliane Rouyer-Chevalier as director, in accordance with the recommendation of the Nominating and Governance Committee, for a term of four years ending at the close of the Annual Shareholders' Meeting held in 2023 to vote on the financial statements for the year ending December 31, 2022.

Eliane Rouyer-Chevalier, director of the Company since 2011, is also Chair of the Audit Committee and member of the Compensation Committee. She has finance and accounting qualifications and strong skills in financial reporting and corporate social responsibility, which are valuable assets for the Board and the Board committees on which she sits. Her expertise in regulatory issues is also useful to the work of the Board and the Board committees. Should you decide to re-elect Eliane Rouyer-Chevalier, she will continue to sit on both the Audit Committee and the Compensation Committee.

At its meeting on March 20, 2019, the Board of Directors, on the recommendation of the Nominating and Governance Committee, renewed its assessment that (i) there are no significant business relationships between Eliane Rouyer-Chevalier and Legrand, and (ii) Eliane Rouyer-Chevalier could be regarded as an independent director. The Board of Directors, on the recommendation of the Nominating and Governance Committee, also reviewed the number of directorships held by Eliane Rouyer-Chevalier outside the Group. This review revealed that the number of external directorships complied with the provisions of the French Commercial Code and Corporate Governance Code and that Eliane Rouyer-Chevalier would therefore have the time necessary to devote to her directorship of Legrand.

Eliane Rouyer-Chevalier's biography is summarized below:

Eliane Rouyer-Chevalier

Eliane Rouyer-Chevalier, 66 years old and a French citizen, holds a Master's degree in Economics from Université Paris II Assas.

She joined the Accor Group in 1983, where she was in charge of international financing and foreign currency cash management before becoming Director of Investor Relations and Financial Communication in 1992. From 2010 to 2012, she was a member of the Executive Committee of Edenred, a spin-off from the Accor Group, in her capacity as Vice President of Corporate and Financial Communications & Social Responsibility. She has been Chair of ERC Consulting since 2013, a consultant to the World Bank (IFC) since 2016 and independent director of Vigeo Eiris since 2018.

As regards associations, Eliane Rouyer-Chevalier is the Honorary President of the French Association for Investor Relations (CLIFF) having served as President from 2004 to 2014. She was also Vice-President of the Observatoire de la Communication Financière from 2005 to 2018. She has been Director of the Federation of Individual Investors and Investment Clubs (F2IC) since 2014, and Director of Time2Start, an organization that helps young people from the inner cities to start up their own business, since 2016. She was Director of the Institut Français du Tourisme from 2013 to 2016 and of the Cercle de la Compliance from 2015 to 2017.

Eliane Rouyer-Chevalier holds 1,350 Legrand shares.

Appointment of Michel Landel as director (ninth resolution)

In the ninth resolution, you are invited to appoint Michel Landel as director, in accordance with the recommendation of the Nominating and Governance Committee, for a term of four years ending at the close of the Annual Shareholders' Meeting held in 2023 to vote on the financial statements for the year ending December 31, 2022. Michel Landel is a French citizen.

The nomination of Michel Landel for appointment as Director forms part of the external recruitment campaign for new directors conducted in 2018. He was one of the potential candidates selected at the Board meeting on February 7, 2018 and had expressed his interest in joining the Board, but was not available until 2019.

The Board considers that his extensive experience in executive management of listed companies with major international operations, his strong pioneering commitments to diversity and, more generally, his knowledge of corporate social responsibility matters will be invaluable to the Board.

At its meeting of March 20, 2019, the Board of Directors, on the recommendation of the Nominating and Governance Committee, reviewed Michel Landel's personal situation and concluded that (i) there were no significant business relationships between Michel Landel and Legrand, and that (ii) Michel Landel could be regarded as an independent director. The Board of Directors also obtained assurance that Michel Landel would have the time necessary to devote to his directorship of Legrand, as the number of directorships he holds outside the Company complies with the provisions of the French Commercial Code and Corporate Governance Code.

Michel Landel's biography is summarized below:

Michel Landel

Michel Landel, 67 years old and a *Chevalier de la Legion d'Honneur*, is a graduate of the European Business School.

He began his career at Chase Manhattan Bank in 1977. In 1990, he became plant director for the Poliet group before joining Sodexo in 1984 first as Head of Operations for East Africa and then for Africa. In 2000, he became Vice-Chairman of Sodexo's Executive Committee and in 2003, Deputy Chief Executive Officer. From 2005 to January 2018, he was Chief Executive Officer and Chairman of the Executive Committee and was appointed Director of Sodexo in 2007.

Since 2018, Michel Landel has been lead director and Chairman of the Appointments and Compensation Committee of Danone and Chairman of the Board of Directors of Louis Delhaize group.

He has won several awards for his campaigns in favor of diversity in the workplace. He also ranked 67th in the Harvard Business Review's 2015 rankings of The Best-Performing CEOs in the World.

The Nominating and Governance Committee and the Board are in favor of the renewal and appointment of the directors proposed in the eighth and ninth resolutions. The Nominating and Governance Committee and the Board consider that the diverse range of complementary skills of the directors – some have strategic skills and experience in managing industrial groups, while others have financial skills or more specific expertise, such as financial communications, talent management, marketing and corporate social responsibility – coupled with the presence on the Board of past executive managers who have extensive knowledge of the

Group and its operations, are valuable assets for the Company. Furthermore, the Board is regularly singled out for its diversity, notably at the Corporate Governance Awards (*Grands Prix des Gouvernements d'Entreprise*) organized by AGEFI.

Moreover, in 2017 and 2018 Legrand was ranked among the top 10 performers in the CAC 40 Governance index launched by Euronext in partnership with Vigeo Eiris, based on governance practices in four areas including one relating to the Board of Directors (efficiency, balance of power, integration of social responsibility factors).

Subject to the appointment of Michel Landel and the renewal of Eliane Rouyer-Chevalier, by the Annual Shareholders' Meeting of May 29, 2019, the 11 members of the Board of Directors (of which one director representing employees) will include:

- **five women**, a proportion of 50%⁽¹⁾, which is higher than required by the French Commercial Code (40% as of 2017);
- **five different nationalities**, with one American director, one Italian director, one Spanish director, one director with dual French and German citizenship, and seven French directors;
- **eight independent directors**, a ratio of 80%⁽¹⁾, which is higher than the 50% minimum recommended by the Afep-Medef Code of Corporate Governance.

For information, if you vote to appoint Michel Landel and renew Eliane Rouyer-Chevalier, the terms of office of the ten directors elected by the shareholders pursuant to article L. 225-18 of the French Commercial Code would be due to expire as follows:

Director	2020	2021	2022	2023
Gilles Schnepf			X	
Olivier Bazil			X	
Isabelle Boccon-Gibod	X			
Christel Bories	X			
Angeles Garcia-Poveda	X			
Edward A. Gilhuly			X	
Philippe Jeulin			X	
Patrick Koller			X	
Annalisa Loustau Elia		X		
Eliane Rouyer-Chevalier				X
Michel Landel				X
NUMBER RENEWALS PER YEAR	3	1	5	2

(1) The Director representing employees, Philippe Jeulin, does not count for the purpose of calculating (i) the minimum ratio of directors of a given gender, in accordance with provisions of the law, or (ii) the ratio of independent directors on the Board of Directors, in accordance with the recommendations of the Afep-Medef Code of Corporate Governance.

Authorization granted to the Board of Directors allowing the Company to trade its own shares (tenth resolution)

In this resolution, you are asked to renew the Board of Directors' authorization to purchase shares of the Company, which will cancel and supersede the previous authorization granted by the Annual Shareholders' Meeting on May 30, 2018.

The objectives of the share buyback program would be:

- to ensure liquidity and make a market in the Company's shares;
- to (i) implement, in accordance with the applicable legislation, (a) stock option plans, (b) employee share offerings, (c) free share awards and share allotments for profit-sharing purposes, and (ii) carry out any related hedging transactions;
- to hold and subsequently tender the shares in consideration or payment for external growth transactions;
- to grant shares upon the exercise of rights attached to securities providing access, either immediately or at some later date, to the Company's share capital;
- to cancel some or all of the shares purchased, subject to the adoption of a resolution authorizing the cancellation of shares purchased under buyback programs; and
- to implement any other practice permitted or recognized by law or by the French Financial Markets Authority (*Autorité des Marchés Financiers*), or for any other purpose permitted by the applicable regulations.

This resolution is similar to the one approved by the Annual Shareholders' Meeting of May 30, 2018.

The share buyback program is limited to 10% of the Company's share capital at the date of the Annual Shareholders' Meeting to

be held on May 29, 2019, less the number of treasury shares sold under a liquidity contract during the term of the authorization.

Implementation of this authorization may not, in any event, have the effect of increasing the number of shares held directly or indirectly by the Company to more than 10% of the total number of shares comprising the Company's share capital at any time.

The shares purchased and held by the Company are stripped of their voting rights and are not entitled to dividends.

We propose to set the maximum purchase price per share at €90 (excluding acquisition fees and adjustment events), in view of the upward trend in the Company's share price during 2018, and to limit the total amount allocated to the share buyback program to €1 billion.

If approved, the authorization will be valid for 18 months from the date of the Annual Shareholders' Meeting to be held on May 29, 2019. It may not be used during a takeover bid for the Company shares.

For information, at December 31, 2018, the Board of Directors has used the previous authorization as follows:

- the total amount of shares purchased by the Company was €77.85 million;
- the Company held 905,347 shares with a par value of €4, i.e., €3,621,388, representing 0.34% of the Company's share capital (of which 555,128 shares outside the liquidity contract), purchased at a total cost of €35,172, to hedge its commitments to beneficiaries of stock options or performance shares, and to an employee share ownership plan under the profit-sharing program;
- the balance of the liquidity contract, entered into with Kepler Cheuvreux on May 29, 2007 and subsequently amended, stood at 350,219 shares.

■ II – EXTRAORDINARY RESOLUTIONS

Amendment to article 8.2 of the Company's Articles of Association (eleventh resolution)

The purpose of the eleventh resolution is to amend article 8.2 of the Company's Articles of Association in accordance with the provisions of the law.

Under article L. 233-7 of the French Commercial Code, anyone whose shareholding reaches, exceeds or falls below certain notification thresholds, as defined by the law or in the company's Articles of Association, is required to notify their holding to the relevant company. The penalty for failure to comply with the notification requirements is suspension of the voting rights attached to the shares that were not duly and properly notified.

The Company's Articles of Association provide that this penalty will only apply at the request, duly recorded in the minutes of the shareholders' meeting, of one or more of the shareholders who hold a percentage of the share capital or voting rights at least equal to the smallest notification threshold.

According to the Company's Articles of Association, the smallest notification threshold is two per cent (2%) while the request for suspension of voting rights may be made by "one or more shareholders holding at least one per cent (1%) of the share capital or voting rights".

In accordance with the provisions of the law, the eleventh resolution proposes to raise the threshold at which one or more shareholders may request the suspension of voting rights attached to shares that were not duly and properly notified from one per cent (1%) to two per cent (2%).

We would point out that no shareholder owning 1% of the share capital has ever requested the suspension of the voting rights of a defaulting shareholder, and the difference between the law and our Articles of Association has therefore never had any material impact.

The third paragraph of article 8.2 of the Articles of Association will therefore be deleted and replaced by the following wording:

"In the event of failure to comply with the notification requirements referred to in this article 8.2 and at the request, duly recorded in the minutes of a shareholders' meeting, of one or more shareholders holding at least two per cent (2%) of the share capital or voting rights, the voting rights attached to the shares that were not duly and properly notified will be suspended and may not be exercised or delegated by the defaulting shareholder at any shareholders' meetings held for a period of two years after the notification obligation has been fulfilled."

Authorization granted to the Board of Directors to reduce the share capital by canceling treasury shares (twelfth resolution)

Adoption of this resolution would enable the Company to reduce its share capital by canceling all or some of the shares purchased under the share buyback programs authorized and implemented by the Company, thereby producing an accretive effect for shareholders.

In any 24-month period, shares may be canceled up to a limit of 10% of the Company's share capital at the date of the Annual Shareholders' Meeting of May 29, 2019.

This resolution is similar to the one approved by the Annual Shareholders' Meeting of May 30, 2018.

If approved, this authorization would cancel and supersede the unutilized portion of all authorizations previously granted by the shareholders for the same purpose.

Powers for formalities (thirteenth resolution)

This resolution is customary and enables the Board of Directors to fulfil all legally required filings, formalities and publications after the Annual Shareholders' Meeting to be held on May 29, 2019.

March 20, 2019. The Board of Directors